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GOVERNOR MARTIN O'MALLEY RELEASES CLEAN ENERGY AGENDA TO PROMOTE JOBS, SUSTAINABILITY

ANNAPOLIS, MD (January 15, 2010) – Governor Martin O'Malley today released his 2010 Energy Agenda focused on increasing renewable energy production and tax credits for Maryland families and workforce. Just days after introducing his economic agenda to create jobs, fuel innovation, and drive economic progress during these tough economic times, Governor O'Malley's energy package works to support Maryland's economy by increasing clean energy and green jobs in Maryland.

"Energy touches every aspect of our lives from the cost of heating our homes to sustaining our resources for future generations," said Governor O'Malley. "In these last three years, we have made the choices that have transformed Maryland into one of the leading clean energy states in the nation. Each element of our energy agenda is structured to provide resources and incentives for our families and workforce, create jobs, and fuel innovation as we continue to strive for a Maryland that is truly Smart, Green and Growing."

Key legislation include an acceleration of the State's solar Renewable Portfolio Standard to put more clean energy on the grid faster, as well as off-shore wind legislation to create an effective regulatory framework for off-shore wind energy development. Additional proposed legislation calls for extending renewable energy tax credits for businesses interested in going green, as well as tax credits for families to purchase plug-in electric vehicles as they become commercially available later over the coming year.

"Builds on the recommendations in the Maryland Energy Outlook, this legislative package will keep Maryland at the forefront of progressive clean energy policies," said Maryland Energy Administration Director Malcolm Woolf. "Together with Governor O'Malley, we are focused on helping empower families and businesses take charge of their energy use, while moving towards a more green energy economy; this means creating legislation to support renewable energy programs, create green jobs, and promote the expansion of new technologies such as plug-in vehicles and the development of off-shore wind."

The O'Malley-Brown Administration introduced bills that will specifically:

Incentivize the Purchase of Plug-in Electric Vehicles

- Create a credit against the State vehicle excise tax for the purchase of plug-in electric vehicles (new generation of electric vehicles are expected to come on the market beginning in the fall of 2010, including the Chevy Volt, and electric vehicles by Chrysler, Nissan, Ford and Toyota.)
- The tax credit would be for 3 years and would be capped at \$2,000 per vehicle. Exemptions would be limited to one per individual and 10 per business entity. Fiscal cost estimated to be \$279,000 in FY 2011. Loss of revenue to Transportation Trust Fund will be offset with funds raised under the Regional Greenhouse Gas Initiative.
- Electric vehicles will provide enormous and far-reaching environmental, economic, national security and health benefits to our citizens.
- Electric vehicles will reduce petroleum use and reduce greenhouse gas emissions, lower fuel costs, improve air quality, and increase the State's and country's energy independence.

Accelerate the Solar Renewable Portfolio Standard (RPS)

- This legislation will accelerate Maryland's solar RPS requirements in the early years (2011 – 2017), resulting in more residential and commercial solar installation and greater job creation.
- It will make the phase-in of the Solar RPS more evenly distributed over the next decade and provide more long-term support for Maryland's growing solar industry. This change will put the State's solar goals more in line with New Jersey and Delaware.
- Additional solar energy in Maryland will decrease peak load electricity prices in the summertime, reduce greenhouse gas emissions by displacing fossil-fueled powered generation, create new green jobs, and help Maryland meet its renewable energy goals.

Reauthorize Renewable Energy Production Tax Credit

- Reauthorize tax credit that currently expires at the end of 2010; existing program cap of \$25 million would remain.
- Offers Marylanders a state income tax credit limited to \$2.5 million to any eligible taxpayer for electricity generated by qualified resources of 0.85 cents per kilo-watt hour, and 0.50 cents per kilo-watt hour for electricity generated from co-firing a qualified resource with coal.

Advance Off-Shore Wind Energy

- Supporting our efforts to lead in this new clean energy sector, create an effective regulatory framework for offshore wind energy development by addressing gaps in existing regulatory authority. The proposal makes the necessary statutory changes in advance of formal offshore wind energy proposals and applications.
- The legislation clarifies the Public Service Commission's jurisdiction over transmission lines from offshore wind facilities and allows the construction of a submerged or buried renewable energy transmission line in the beach erosion control district under certain conditions.

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